



EMBASSY OF THE REPUBLIC OF THE MARSHALL ISLANDS

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Washington, D.C. 20008
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C13591

July 30, 2019

Ms. Rina T. Keju
Acting Secretary
MOFAT
MAJURO



Iakwe Acting Secretary Keju,

Please find attached the renewal Contract for Professional Services between the RMI and Akin Gump Strauss Hauer & Feld LLP, to be signed by Minister Silk, Secretary Bing, and the Attorney General.

Please note that this Contract will be for a period of one year, commencing in August 2019. The RMI will pay Akin Gump Strauss Hauer a retainer fee of \$20,000 per month, with the opportunity to assess fees and retainer on a quarterly basis.

Attached with this Contract is a Statement of Firm Policies which outlines the Determination of Fees, Billings, Scope of Engagement, Necessary Information, and Confidentiality and Conflicts.

If there are any questions regarding this Contract, please feel free to contact the Embassy.

Komol Tata.

Need to pay & wire.
to comply with contract
terms.

Gerald M. Zackios
Ambassador



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MI-19-0844

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Akin Gump

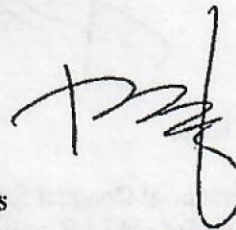
STRAUSS HAUER & FELD LLP

JENNIFER L. RICHTER

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jrichter@akingump.com

July 26, 2019

H.E. Gerald M. Zackios
Ambassador Extraordinary & Plenipotentiary
Embassy of the Republic of the Marshall Islands
2433 Massachusetts Avenue, N.W.
Washington, DC 20008



Re: Exhibit A to Contract

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Dear Ambassador Zackios:

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As our second year of representation comes to a close, we look back with pride on our collective accomplishments and look forward to our continued work together.

It has been our privilege to represent the Republic of the Marshall Islands (RMI). We anticipate continued success in the year ahead: educating U.S. officials about the unique United States - RMI relationship, obtaining federal funding, impacting U.S. policy, and setting the foundation for the 2023 renegotiation of the Compact of Free Association (COFA).

An outline of our key goals and objectives for 2019-2020 follows.

I. Resources for the Republic of the Marshall Islands

There is a great need, as well as a moral and policy imperative, for enhanced U.S. funding for RMI. Our work to date has brought about financial commitments from the federal government for the first time since the State Department recognized in 2010 the \$20 million "compensatory adjustment" owed by the U.S. to the RMI, but our battle is not over. In addition, our longer term initiative to renew the COFA financial assistance is in its earliest stages.

A. \$20 Million Compensatory Adjustment for Changes to the Tax and Trade Provisions of the Compact

In 1986 and again in 2003, Congress authorized a \$20 million "compensatory adjustment" if the government of the RMI could demonstrate adverse impacts on its finances and economy as a result of changes the U.S. Congress unilaterally made to tax and trade provisions of the original

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Compact. Despite a conclusion by the United States Department of State in 2010 that the RMI "reasonably demonstrated net adverse impacts" due to the changes made by the U.S., this funding has never been appropriated.

In response to our advocacy efforts, the House of Representatives included \$5 million for the RMI in its Fiscal Year 2020 appropriations legislation passed in June. The Senate is expected to act in the fall, and Senate Interior Appropriations Chairman Lisa Murkowski (R-AK) is similarly supportive. Continued vigilance and ongoing communication with Congressional leaders and Executive Branch officials will be necessary as the appropriations process continues through the end of 2019. In early 2020, we will continue to lobby for full payment of the \$20 million obligation as Congress considers Fiscal Year 2021 legislation.

B- COFA Expiration of Financial Assistance in 2023

When Congress approved the initial Compact of Free Association (COFA) in 1986, the World War II generation was a presence within the U.S. Capitol. There were more than thirty-five WWII veterans serving in Congress, many in leadership roles. The Senate Majority Leader was wounded WWII veteran Bob Dole (R-KS), and fellow veteran Sen. Daniel Inouye (D-HI) was close by his side. In the House of Representatives, Rep. Jim Wright (D-TX), who flew combat missions in the South Pacific during World War II, was Majority Leader.

The last WWII veteran retired from Congress in 2014, and Congress' institutional memory of the war has grown increasingly distant. There is correspondingly less awareness of the unique ties that connect the U.S. and RMI than there has been in the past.

There is uncertainty over the future of the Compact. Assistant Secretary of Defense for Indo-Pacific Security Affairs Randall Schriver ambiguously stated at the recent Senate Energy and Natural Resources Committee's hearing on the Freely Associated States that he seeks to "ensure that our relationships are in the best possible position, post-Compact whether that's a renewal or some other approach that keeps these very strategic partnerships strong."

Deputy Assistant Secretary for Australia, New Zealand, and Pacific Islands Sandra Oudkirk noted that, "[w]hile our Compact relationships overall don't have an end date, with the scheduled end of U.S. assistance fast approaching now is not the time to leave these countries vulnerable to the predations of larger countries."

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The coming year will be a pivotal time to educate key influencers on the importance of Compact funding. Now is the time to continue to make connections, strengthen relationships and build the case of RMI's strong value to the U.S. and related need for funding.

II. Federal Rulemakings and Legislation

In addition to the ongoing issues described above, there are several other pending matters facing the RMI that go to the core of the Compact. We have provided legal and strategic expertise from a number of specialists on these matters, including our immigration attorneys, and are prepared to continue to do so. With respect to Federal rulemakings, Public Charge and REAL ID Modification for FAS are top priorities.

There are also a number of bills pending before Congress that could impact the RMI and its citizens, including Rep. Gabbard's (D-HI) Runit Dome amendment that was accepted in the House 2020 National Defense Authorization Act (NDAA). We have been in close touch with Rep. Gabbard's office and continue to monitor the Gabbard proposal as well as other bills for breaking developments.

III. Terms of Representation

I am including the firm's standard policy which describes the manner in which we will bill for legal services and disbursements. A clear understanding of those matters helps to maintain a harmonious professional relationship. I encourage you to consider the matters set forth in this letter carefully and to raise with us any question that you may have now or later about its contents.

We refer matters to those lawyers in this firm who in our judgment can perform the highest quality work, in a timely and efficient manner, and at the lowest cost. We also employ non-lawyer assistants in tasks where lawyers are not necessary, to facilitate the rapid and efficient performance of services, and we contract with outside consultants who offer specialized expertise.

While I certainly do not expect that you will find the legal representation by this firm to be in any way unsatisfactory, I do encourage you to discuss any problems or questions with me at any time.

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For the work described above, we propose to continue our monthly retainer of \$20,000 with the opportunity to assess the fees and the retainer on a quarterly basis and, with your agreement, adjust either the workload or the fees to ensure continued alignment. We would anticipate the next phase of this project, as outlined above, running for one year. In addition, expenses advanced on your behalf or internal charges for administrative services (which may exceed our direct costs) are added to the statement rendered for the month in which such expenses or charges are recorded in our billing system.

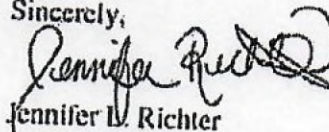
Our standard practice is to bill on a monthly basis. This allows our clients to monitor both current and cumulative fees and expenses. We require that payment of statements be made within 30 days of receipt, and we may suspend or terminate any work in progress if timely payment is not made. We may also withdraw from the representation in a manner consistent with applicable ethical standards.

Attached to this letter is our Statement of Firm Policies (the "Statement") that will apply to our representation. In the event of a conflict between the terms of the Statement and the terms of this letter, the terms of this letter shall control. Please review these policies and let me know if you have any questions concerning them.

If the terms described above and in the attached Statement are satisfactory to you, please so indicate by signing the enclosed copy of this letter and returning the signed copy.

It is our privilege to assist the Embassy in representing the RMI at this critical time. We look forward to hearing from you and continuing to engage with you.

Sincerely,



Jennifer M. Richter

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AGREED: Republic of the Marshall Islands

By: [Signature]

Minister of Foreign Affairs and Trade, John M. Silk

By: [Signature] 8/8/19

Attorney General, Bernard Adiniwin

By: [Signature]

Secretary of Finance, Maybelline Andon Bing

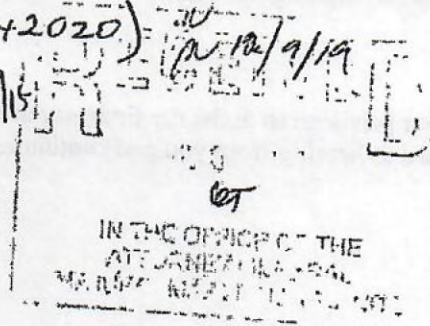
Account Number: 1610-1520-000-201-GG1610
Not to exceed: \$40,000 (FY2019)



1610-1520-000-201-GG1610

NOT TO EXCEED: \$ 240,000 (FY2020)

[Signature] 11/27/19
re certify



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